

governments (whether or not incorporated as a nonprofit corporation under state law), any other regional or interstate government entity, or any agency or instrumentality of a local government.

*Veteran* means a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

*Veteran with disabilities* means a veteran with a physical, mental, or emotional impairment which is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such a nature that such ability could be improved by more suitable housing conditions. This may include a disability related to substance (alcohol and/or drug) abuse. A veteran may be considered to have a disability regardless of whether VA has or has not awarded compensation or a pension for the disability.

[59 FR 28265, June 1, 1994, as amended at 60 FR 10504, Feb. 27, 1995]

**§ 17.702 Types and uses of assistance.**

(a) *Grant assistance.* Grant assistance is available to:

(1) Construct structures to establish new supportive housing facilities, new facilities to provide supportive services, or to establish service centers;

(2) Acquire, expand and remodel/alter structures to establish new supportive housing facilities, new facilities to provide supportive services, or to establish service centers; and

(3) Procure vans to provide transportation for the purpose of providing supportive services to homeless veterans.

(4) Applicants may apply for more than one type of assistance.

(b) *Limitation on non-veteran participants.* Up to 25 percent of services available in projects funded through this grant program may be provided to participants who are not receiving those services as veterans.

(c) *Structures used for multiple purposes.* Structures funded through this grant program that are used to provide supportive housing, supportive services, or used as service centers may also be used for other purposes, except that assistance under this part will be

available only in proportion to the use of the structure for supportive housing, supportive services, or as a service center.

(d) *Maximum amount of grant.* The amount of a grant under this part may not exceed 65 percent of the cost of acquisition, rehabilitation, acquisition and rehabilitation, construction or procurement.

**§ 17.703 Grants for acquisition and rehabilitation.**

(a) *Use.* VA will grant funds to recipients to:

(1) Pay a portion of the cost of the acquisition of real property selected by the recipients for use in the provision of supportive housing or supportive services, or to establish service centers, including the repayment of any outstanding debt on a loan made to purchase property that has not been used previously for supportive housing, supportive services, or service centers; and

(2) Pay a portion of the cost of rehabilitation of structures, including cost-effective energy measures, selected by the recipients to provide supportive housing or supportive services or to establish service centers.

(b) If grant funds are proposed to be used for acquisition or rehabilitation, the applicant must demonstrate that the costs associated with acquisition or rehabilitation are less than the costs associated with new construction.

**§ 17.704 Grants for new construction.**

(a) *Use.* VA will grant funds to recipients to pay a portion of the cost of new construction, including cost-effective energy measures and the cost of land associated with that construction, for use in the provision of supportive housing or supportive services, or for service centers. If grant funds are proposed to be used for new construction, the applicant must demonstrate that the costs associated with new construction are less than the costs associated with rehabilitation of an existing building, or that there is a lack of available appropriate units that could be rehabilitated at a cost less than new construction. The applicant must also demonstrate that new construction is less costly than acquisition of an existing

## Department of Veterans Affairs

## § 17.709

building. For purposes of this cost comparison, costs associated with rehabilitation or new construction may include the cost of real property acquisition.

(b) *Demolition plan.* The cost of demolition of a building cannot be included in the cost of construction unless the proposed construction is in the same location as the building to be demolished or unless the demolition is inextricably linked to the design of the construction project. If the applicant believes that this cost may be included in the cost of the construction project, a demolition plan should be submitted which includes the extent and cost of existing site features to be removed, stored, or relocated.

### § 17.705 Grants for procurement of vans.

(a) *Use.* VA will grant funds to recipients to pay a portion of the cost of procuring vans to provide transportation for and support outreach to homeless veterans.

(b) *Insurance.* Recipients of grants to procure vans who are nonprofit entities must insure vans to the same extent they would insure a van bought with their own funds.

(c) *Amount.* The estimated total costs of purchasing the van may include the purchase price, sales taxes, and title and licensing fees.

### § 17.706 Matching requirements.

(a) *General.* The recipient must, from sources other than grant funds received under this part, match the funds provided by VA to cover the percentage of the total cost of the acquisition, rehabilitation, construction or procurement not funded by the grant. This matching share shall constitute at least 35 percent of the total cost.

(b) *Maintenance of effort.* State or local government funds used in the matching contribution are subject to the maintenance of effort requirements described at § 17.707(a) of this part.

### § 17.707 Limitations on use of assistance.

(a) *Maintenance of effort.* No assistance provided under this part may be used to replace Federal, State or local

funds previously used, or designated for use, to assist homeless veterans.

(b) *Primarily religious organizations.* VA will provide assistance to a recipient that is a primarily religious organization if the organization agrees to provide housing and supportive services in a manner that is free from religious influences and the organization complies with the following principles:

(1) It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion;

(2) It will not discriminate against any person applying for housing or supportive services on the basis of religion and will not limit such housing or services or give preference to persons on the basis of religion;

(3) It will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence in the provision of housing and supportive services.

### § 17.708 Notice of fund availability (NOFA).

When funds are made available for assistance, VA will publish a notice of fund availability in the FEDERAL REGISTER. The notice will:

(a) Give the location for obtaining application packages, which will provide specific application requirements and guidance;

(b) Specify the date, time, and place for submitting completed applications; and

(c) State the amount and status of funding available under the notice.

### § 17.709 Grant award process.

*General.* The grant award process for assistance under this part consists of the following:

(1) Reviewing applications for eligibility for assistance;

(2) Rating applications (see § 17.711 of this part);

(3) Selecting applications conditionally (see § 17.712 of this part);

(4) Obtaining additional information and awarding grants (see § 17.713 of this part).